

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1877 – HB 2143

March 20, 2018

SUMMARY OF ORIGINAL BILL: Requires audits performed by the Comptroller of the Treasury (COT) on county and municipal law enforcement agencies and judicial district drug task forces to include how proceeds derived from forfeited assets are used. Requires the Department of Safety and Homeland Security (DOS) to report COT audit results to the General Assembly and to publish results of COT audits on the DOS website.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$3,600/Comptroller of the Treasury

Increase Local Expenditures – \$59,400*

SUMMARY OF AMENDMENT (015702): Deletes all language after the enacting clause such that the only substantive change is to remove the requirement of municipal law enforcement agency audits to include how proceeds derived from forfeited assets are used.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$3,600/Comptroller of the Treasury

Assumptions for the bill as amended:

- Based on information provided by the DOS, any impact to the department resulting from reporting COT audit information to the General Assembly or publishing COT audit information on the departmental website is estimated to be not significant.
- Based on information provided by the COT, county sheriff department and judicial district drug force audits include a review of forfeited asset proceeds; however, the funds are not tracked by expenditure of seizure dollars. Tracking expenditures by individual seizure will lead to additional travel expenses.
- Based on information provided by the COT, COT staff conducts 90 county sheriff and 31 judicial district drug task force audits each year.
- Additional COT audit requirements will be achieved utilizing existing staff.

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- The increase in travel expenditures will vary for each audit and is dependent on the location, the distance traveled, and the additional time required to complete such audits; however, it is estimated to increase travel expenditures on average by \$30 per audit.
- The recurring increase in state expenditures to the COT is estimated to be \$3,630 [(90 + 31) audits x \$30 travel].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj